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FISCAL IMPACT REPORT

SPONSOR Park DATE TYPED 1/30/04 HB 214

SHORT TITLE Procurement Exclusions for Fair Purchases SB _____

ANALYST Wilson

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
			See Narrative		

SOURCES OF INFORMATION

LFC Files

Responses Received From
EXPO New Mexico (State Fair)

SUMMARY

Synopsis of Bill

House Bill 214 increases the exemption for the State Fair from the provisions of the Procurement Code for tangible personal property, services and construction from \$5,000 to \$10,000. There will be no requirement for the State Fair Commission to release a bid to acquire goods or services costing less than \$10,000.

Significant Issues

Currently, the State Fair is exempted from obtaining tangible items through the State Purchasing Agent for small purchases up to \$5000. For items that are not small purchases, the New Mexico State Fair must still comply with the New Mexico Procurement Code (i.e. obtaining three bids, and choosing the lowest.).

The issue for the State Fair is a matter of timing. Many times in preparation for the annual state fair, items are needed in an expeditious manner. Obtaining the items through State Purchasing is time consuming. Since the annual State Fair only lasts around 17 days, going through State Purchasing sometimes means they cannot get the requested items in time for the Fair.

FISCAL IMPLICATIONS

The State Fair staff claims there will be no additional cost to purchase goods or services.

ADMINISTRATIVE IMPLICATIONS

Reducing the requirement to bid for services or contracts under \$10,000 will save administrative work for the State Fair Commission staff.

RELATIONSHIP

HB 214 relates to HB 213 & HB 239 which also amend the Procurement Code.

DW/dm:lg